

BEFORE THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

December 3, 2002

IN RE:

JOINT APPLICATION OF VOICECOM
TELECOMMUNICATIONS, LLC,
VOICECOM TELECOMMUNICATIONS, INC.
AND PREMIERE COMMUNICATIONS, INC.
FOR APPROVAL OF ACQUISITION OF ASSETS
AND FOR ASSIGNMENT OF AUTHORIZATION

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) DOCKET NO.
) 02-01167
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ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate, and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on November 4, 2002 for consideration of the *Joint Application for Acquisition of Assets and Assignment of Authorizations* (the "*Joint Application*") filed by Voicecom Telecommunications, LLC ("VTL"), Voicecom Telecommunications, Inc. ("VTI"), and Premiere Communications, Inc. ("PCI") (collectively, the "Applicants"). The *Joint Application* was considered pursuant to the provisions of Tenn. Code Ann. § 65-4-113, which requires Authority approval of a transfer of authority to provide utility services.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the Authority shall consider an application for transfer of authority, in pertinent part, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Joint Application

In the *Joint Application*, which was filed on October 17, 2002, the Applicants request Authority approval of the acquisition of certain assets and the assignment of authorization to provide intrastate long distance telecommunications services within the State of Tennessee. This acquisition and assignment will be accomplished in a series of agreements among the Applicants, following which VTL will acquire from PCI ownership of certain telecommunications assets, including its state regulatory authorizations to provide intrastate long distance telecommunications services. After the transactions have been completed, VTL will provide intrastate long distance telecommunications services to customers in Tennessee, and PCI will cease offering or providing intrastate long distance telecommunications services in Tennessee.

According to the *Joint Application*, PCI, a Florida corporation headquartered in Atlanta, Georgia, is a non-facilities based reseller of post-paid telephone calling card services. PCI is authorized to provide intrastate long distance services in Tennessee and in approximately forty-six (46) other states. PCI was granted authority to provide resold

telecommunications services in Tennessee by Order dated August 14, 1996 in Tennessee Public Service Commission Docket No. 95-03352. VTL is a Delaware limited liability company headquartered in Atlanta, Georgia.

The *Joint Application* states that VTL possesses all the financial, managerial, and technical qualifications necessary to acquire and operate the assets of PCI. According to the *Joint Application*, VTL proposes to utilize the acquired assets to resell switched intrastate long distance (interLATA and intraLATA toll) voice communications services of certificated common carriers for the purpose of providing post-paid calling card services throughout the entire State of Tennessee.

The *Joint Application* states that VTL is led by a highly qualified team of management personnel who have the requisite technical, financial, and managerial experience to provide resold long distance telecommunications services in Tennessee. Further, as a wholly owned subsidiary of VTI, VTL has the assurance of its parent that it will be provided the financial resources necessary to continue PCI's resale operations.

Public Interest Considerations

According to the *Joint Application*, VTL's acquisition of PCI's assets is in the public interest because this acquisition will allow VTL to compete in the Tennessee market for long distance telecommunications services, and Tennessee consumers will benefit from the increased range of long distance telecommunications products and service options.

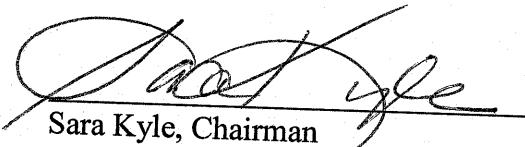
Findings

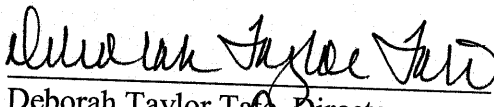
The Authority considered this matter at the November 4, 2002 Authority Conference. Based upon careful consideration of the *Joint Application* and of the entire record of this matter, the Authority finds and concludes as follows:

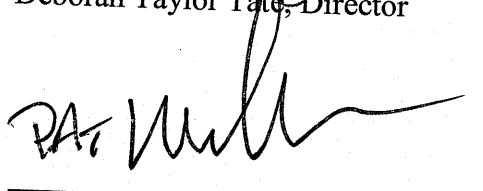
1. The Authority has jurisdiction over the subject matter of this *Petition* pursuant to Tenn. Code Ann. § 65-4-113;
2. Premiere Communications, Inc. has been granted authority to provide resold telecommunications services in Tennessee;
3. The telecommunications assets of Premiere Communications, Inc. will be acquired by Voicecom Telecommunications, LLC, resulting in a transfer of the authority to provide utility services that has been granted Premiere Communications, Inc.; and
4. The transfer of authority will benefit the consuming public.

IT IS THEREFORE ORDERED THAT:

The *Joint Application* of Voicecom Telecommunications, LLC, Voicecom Telecommunications, Inc., and Premiere Communications, Inc. for approval of the transfer of authority described herein is approved.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director